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PUNISHMENT FOR MUTILATING UNITED STATES COINS,
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FEBRUARY 29, 1896.—Referred to the House Calendar and ordered to be printed.

Mr. CHARLES W. STONE, from the Committee on Coinage, Weights,
and Measures, submitted the following

REPORT:

[To accompany H. R. 5732.]

The Committee on Coinage, Weights, and Measures, to whom was referred the bill (H. R. 5732) to amend section 5459 of the Revised Statutes, prescribing the punishment for mutilating United States coins and for uttering or passing or attempting to utter or pass such mutilated coins, having considered the same, respectfully recommend that it do pass.

Section 5459 of the Revised Statutes provides for the punishment of the offense of fraudulently mutilating or lightening the gold or silver coins of the United States, but by some oversight or for some other unaccountable reason no provision is made for the punishment of the knowingly and fraudulently uttering or passing or attempting to utter or pass such mutilated or lightened coins. To supply this defect in the existing law is the primary purpose of the present bill, but in restating the section it has been deemed advisable to make it correspond in phraseology, as near as may be, with the other sections relating to counterfeiting coin of the United States, and it has also been deemed advisable to make the maximum limit of imprisonment imposed as punishment correspond more nearly with the maximum punishment provided by law for other species of counterfeiting the national coin and uttering such counterfeited coin. The defect in the existing law and the necessity for the proposed legislation are pointed out by the Chief of the Secret Service Bureau of the Treasury Department in his annual report for 1894, an extract from which is appended hereto.

[From the report of the Chief of the Secret Service Division of the United States Treasury Department for the year ended June 30, 1894.]

On February 1, 1894, I found the banking interests deeply concerned over the great number of light-weight gold coins in circulation.

These coins had been impaired by a new and ingenious method, namely: The milled or corrugated rim of the coin had been removed, decreasing its value about 5 per cent; new milling was then put on, and the coin, to all appearances, made perfect. I immediately put agents to work, with the result that all of the guilty persons are now serving terms in State prisons. One man was arrested in Sioux City, Iowa, on March 19, 1894, and, after trial, was sentenced to imprisonment for eighteen months; another and his wife were subsequently arrested in Baltimore, Md., and sentenced to four years and six months, respectively, under section 5459, Revised Statutes. In both instances a lathe and complete set of tools were captured. Since these arrests were made coins lightened in the manner above described have ceased to appear.

In the prosecution of these cases I was greatly surprised to learn that there is no law to punish uttering or passing such lightened or debased coins, knowing them to be such. I therefore earnestly recommend the passage of an act making it a felony to mutilate United States coins, or to utter, pass, or attempt to pass such coins, and ask that section 5459 of the Revised Statutes of the United States be amended to read as follows:

"Every person who fraudulently, by any art, way, or means, defaces, mutilates, impairs, diminishes, falsifies, scales, or lightens, or causes or procures to be fraudulently defaced, mutilated, impaired, diminished, falsified, scaled, or lightened, or willingly aids or assists in fraudulently defacing, mutilating, impairing, diminishing, falsifying, scaling, or lightening the gold or silver coins which have been coined which may hereafter be coined at the mints of the United States, or any foreign gold or silver coins which are by law made current or are in actual use and circulation as money within the United States, or who passes, utters, publishes, or sells, or attempts to pass, utter, publish, or sell, or bring into the United States from any foreign place, knowing the same to be defaced, mutilated, impaired, diminished, falsified, scaled, or lightened, with intent to defraud any person whatsoever, or who has in his possession any such defaced, mutilated, impaired, diminished, falsified, scaled, or lightened coin, knowing the same to be defaced, mutilated, impaired, diminished, falsified, scaled, or lightened, with intent to defraud any person whatsoever, shall be imprisoned not more than five years and fined not more than two thousand dollars."